

CITY OF  
**HAYWARD**  
HEART OF THE BAY

# **Public TEFRA Hearing and Existing Debt Restructuring Hayward4**

*City Council Meeting*

*July 21, 2015*



# The Project

Property Name	Location	Number of Units
742 Harris Ct. Apartments	742 Harris Court	4
Harris Court Apartments	734, 735, 743, 750, and 751 Harris Court	20
Cypress Glen	25100 Cypress Avenue	54
Huntwood Commons	27901 Huntwood Avenue	40
	Total:	118



# The Project

- The City and the Former RDA provided critical financial support in the form of loans to Eden to fund the properties at different stages of development.
- Sources of funding: HOME, Former RDA-Low-Mod funds CDBG, HODAG, and Workforce Housing.
- Eden has requested that the loans be restructured to: a) enhance the project feasibility, and b) to comply with current tax law provisions.



# Loan Restructuring and Forgiveness Amount - Summary

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Original Loans (total, principal only)	\$ 3.86
Interest on Original Loans (based on original terms)	\$ 7.34
Original Loans' Balance to Closing (total principal and interest)	\$ 11.20
Restructured Loans (based on parameters, total new principal)	\$ 5.40
Forgiveness amount (Original Loan's Balance to closing minus Restructured Loans)	\$ 5.80
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# Impact, Benefits

- No financial impact to the General Fund or other special fund but new fifty-five year (City) affordability restrictions recorded against the entire Project.
- Substantial rehabilitation of properties showing deterioration in an area of much needed investment. This includes energy-efficiency upgrades.
- No permanent relocation will be needed and no CEQA or NEPA reviews apply.
- Project advances Council priorities and Housing Element goals.



# The TEFRA Public Hearing

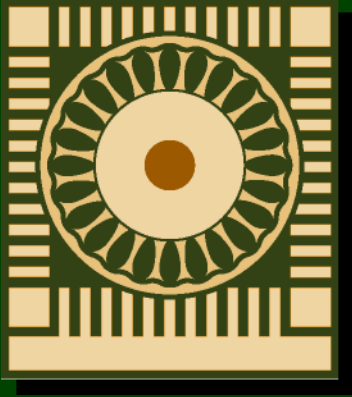
- To accommodate Eden's request, the City will issue up to \$30 Million in Tax-Exempt Multifamily Housing Revenue Bonds.
- City and Eden have to apply to CDLAC for an allocation of the State's Ceiling of private activity bonds. To do so, Council must adopt a resolution approving the submittal of the application.
- Elected representatives of jurisdiction where bond-financed project will be located must approve the issuance of the bonds after holding a duly-noticed Public TEFRA hearing.



# The TEFRA Public Hearing

- Council actions at this meeting are only preliminary. The Bonds cannot be issued until:
  - a) CDLAC has made the bond allocation
  - b) Bond counsel has prepared all the necessary documentation
  - c) Bond purchaser has provided all required agreements
  - d) Council has approved the bond documents and final issuance approval – next step/Council action





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